



Iowa General Assembly
Daily Bills, Amendments and Study Bills
April 07, 2014

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House File 2462

H-8214

- 1 Amend the amendment, H-8213, to House File 2462 as
2 follows:
3 1. Page 2, after line 4 by inserting:
4 <Sec. _____. NEW SECTION. 22.13B Executive branch
5 bonuses — disclosure.
6 1. For purposes of this section:
7 a. "Bonus pay" means any additional remuneration
8 provided an employee in the form of a bonus, including
9 but not limited to a retention bonus, recruitment
10 bonus, exceptional job performance pay, extraordinary
11 job performance pay, exceptional performance pay,
12 extraordinary duty pay, or extraordinary or special
13 duty pay, and any extra benefit not otherwise provided
14 to other similarly situated employees.
15 b. "Executive branch employee" means an employee
16 of the executive branch of state government, which
17 includes any unit of state government, including
18 but not limited to an authority, board, commission,
19 committee, council, department, or independent
20 agency as defined in section 7E.4, and each principal
21 central department enumerated in section 7E.5; the
22 office of the governor; and the office of an elective
23 constitutional or statutory officer.
24 2. A decision to provide bonus pay to an executive
25 branch employee, including the amount paid and the
26 documented reasons and rationale for the bonus paid,
27 shall be a public record.
28 3. All decisions to provide bonus pay to an
29 executive branch employee, including information
30 described in subsection 2, shall be made easily
31 accessible to the public on an internet site maintained
32 as follows:
33 a. For decisions to provide bonus pay to an
34 employee of the executive branch, excluding an employee
35 of the state board of regents or institution under
36 the control of the state board of regents, by the
37 department of administrative services.
38 b. For decisions to provide bonus pay to an
39 employee of the state board of regents or institution
40 under the control of the state board of regents, by the
41 state board of regents.>
42 2. Page 2, after line 16 by inserting:
43 <_____. Title page, line 1, after <employee> by
44 inserting <bonuses,>>
45 3. By renumbering as necessary.

BAUDLER of Adair

H8213.3792 (3) 85

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ec/rj

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GAINES of Polk



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House Resolution 118

H-8215

1 Amend House Resolution 118 as follows:

2 1. By striking page 2, line 25, through page 3,
3 line 5, and inserting <electricity generating plants;
4 and

5 WHEREAS, carbon emissions are recognized as a
6 hazardous air pollutant with documented climate
7 impacts resulting in highly variable weather patterns
8 and extreme weather events, with growing economic,
9 environmental, and human consequences; and

10 WHEREAS, the Iowa House of Representatives
11 acknowledges that the federal Clean Air Act of 1970
12 requires the United States Environmental Protection
13 Agency to regulate carbon emissions in the public
14 interest, as confirmed by the United States Supreme
15 Court in Massachusetts v. Environmental Protection
16 Agency in 2007; NOW THEREFORE,

17 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,
18 that the Iowa House of Representatives, on behalf
19 of the State of Iowa, reiterates its commitment to
20 implementing the requirements of the federal Clean
21 Air Act under the direction of and in partnership
22 with the United States Environmental Protection
23 Agency, including standards for stationary sources
24 of greenhouse gas emissions such as coal-fired power
25 plants; and>

STAED of Linn

HR118.3828 (2) 85

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rn/rj

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House Resolution 118

H-8216

1 Amend House Resolution 118 as follows:
2 1. Page 2, by striking line 25 and inserting
3 <electricity generating plants; and
4 WHEREAS, the Iowa House of Representatives
5 acknowledges that the federal Clean Air Act of 1970
6 requires the United States Environmental Protection
7 Agency to regulate carbon emissions in the public
8 interest, as confirmed by the United States Supreme
9 Court in Massachusetts v. Environmental Protection
10 Agency in 2007; NOW THEREFORE,>

STAED of Linn



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House Resolution 118

H-8217

1 Amend House Resolution 118 as follows:

2 1. By striking page 2, line 26, through page 3,
3 line 5, and inserting:

4 <BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES,
5 That the Iowa House of Representatives, on behalf
6 of the State of Iowa, reiterates its commitment to
7 implementing the requirements of the federal Clean
8 Air Act under the direction of and in partnership
9 with the United States Environmental Protection
10 Agency, including standards for stationary sources
11 of greenhouse gas emissions such as coal-fired power
12 plants; and>

STAED of Linn

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Iowa General Assembly
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House File 2463

H-8218

- 1 Amend House File 2463 as follows:
- 2 1. Page 75, line 3, after <health,> by inserting
- 3 <the department of workforce development,>

ISENHART of Dubuque



Iowa General Assembly
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House Resolution 118

H-8219

- 1 Amend House Resolution 118 as follows:
2 1. Page 2, by striking line 25 and inserting
3 <electricity generating plants; and
4 WHEREAS, carbon emissions are recognized as a
5 hazardous air pollutant with documented climate
6 impacts resulting in highly variable weather patterns
7 and extreme weather events, with growing economic,
8 environmental, and human consequences; NOW THEREFORE,>

STAED of Linn



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House File 2462

H-8220

1 Amend the amendment, H-8213, to House File 2462 as
2 follows:
3 1. By striking page 1, line 4, through page 2, line
4 4, and inserting:
5 <<Section 1. NEW SECTION. 22.13A Personnel
6 settlement agreements — executive branch employers.
7 1. For purposes of this section:
8 a. *"Executive branch employer"* means the executive
9 branch of state government, which includes any unit
10 of state government, including but not limited to an
11 authority, board, commission, committee, council,
12 department, or independent agency as defined in section
13 7E.4, each principal central department enumerated
14 in section 7E.5; and the office of the governor.
15 *"Executive branch employer"* does not include the office
16 of an elective constitutional or statutory officer that
17 is not the office of the governor.
18 b. *"Personnel settlement agreement"* means a binding
19 legal agreement between an employee and the employee's
20 executive branch employer to resolve a personnel
21 dispute including but not limited to a grievance.
22 *"Personnel settlement agreement"* does not include an
23 initial decision by an employee's immediate supervisor
24 concerning a personnel dispute or grievance.
25 2. a. For personnel settlement agreements with an
26 employee of an executive branch employer, excluding an
27 employee of the state board of regents or institution
28 under the control of the state board of regents,
29 the personnel settlement agreement shall, to the
30 extent consistent with any provision of an applicable
31 collective bargaining agreement, be reviewed and
32 approved as to form by the attorney general or by
33 the attorney general's designee, and approved by the
34 director of the department of management, the director
35 of the department of administrative services, and the
36 head of the agency or office involved with the matter
37 at issue.
38 b. For personnel settlement agreements with an
39 employee of the state board of regents or institution
40 under the control of the state board of regents,
41 the personnel settlement agreement shall, to the
42 extent consistent with any provision of an applicable
43 collective bargaining agreement, be reviewed and
44 approved as to form by the attorney general or by
45 the attorney general's designee, and approved by the
46 executive director of the state board of regents and
47 the head of the institution involved with the matter
48 at issue.
49 c. For personnel settlement agreements with an
50 employee of an executive branch employer subject to

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1 review and approval pursuant to the requirements of a
2 collective bargaining agreement that are inconsistent
3 with the requirements of this subsection, a report on
4 the personnel settlement agreement shall be provided to
5 those persons who would otherwise review or approve the
6 personnel settlement agreement for that employee.
7 3. Personnel settlement agreements shall not
8 contain any confidentiality or nondisclosure provision
9 that attempts to prevent the disclosure of the
10 personnel settlement agreement.
11 4. All personnel settlement agreements shall be
12 made easily accessible to the public on an internet
13 site maintained as follows:
14 a. For personnel settlement agreements with an
15 employee of an executive branch employer, excluding an
16 employee of the state board of regents or institution
17 under the control of the state board of regents, by the
18 department of administrative services.
19 b. For personnel settlement agreements with an
20 employee of the state board of regents or institution
21 under the control of the state board of regents, by the
22 state board of regents.>
23 2. Page 2, by striking lines 12 through 16 and
24 inserting:
25 <__. Title page, line 2, by striking <and
26 disciplinary actions>
27 ___. Title page, line 3, by striking <and
28 retroactive applicability>>
29 3. By renumbering as necessary.

GAINES of Polk

ABDUL-SAMAD of Polk

ANDERSON of Polk

BERRY of Black Hawk

COHOON of Des Moines

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GASKILL of Wapello

HANSON of Jefferson

HUNTER of Polk

ISENHART of Dubuque

JACOBY of Johnson

KEARNS of Lee

KRESSIG of Black Hawk

LENSING of Johnson

H. MILLER of Webster

MUHLBAUER of Crawford

OLDSON of Polk

PRICHARD of Floyd

RUFF of Clayton



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M. SMITH of Marshall

STAED of Linn

STECKMAN of Cerro Gordo

STUTSMAN of Johnson

T. TAYLOR of Linn

THEDE of Scott

THOMAS of Clayton

WESSEL-KROESCHELL of Story

WINCKLER of Scott

WOLFE of Clinton



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House File 2463

H-8221

1 Amend House File 2463 as follows:
2 1. Page 87, after line 11 by inserting:
3 <DIVISION _____
4 ELDERLY PERSONS WITH AGGRESSIVE OR PSYCHIATRIC
5 BEHAVIORS — REPORT
6 Sec. _____. FACILITY FOR ELDERLY PERSONS WITH
7 AGGRESSIVE OR PSYCHIATRIC BEHAVIORS — COMMITTEE —
8 REPORT.
9 1. The department of inspections and appeals, in
10 conjunction with the department of human services,
11 shall establish and facilitate a committee of
12 stakeholders to examine options for designating a
13 facility to provide care for elderly persons in this
14 state who are sexually aggressive, combative, or have
15 unmet geropsychiatric needs.
16 2. The membership of the committee shall include
17 but is not limited to the following:
18 a. Representatives of the departments of
19 inspections and appeals, human services, public health,
20 and aging, the state public defender, the office of
21 ombudsman, the office of the state long-term care
22 ombudsman, and the judicial branch.
23 b. Consumers of services provided by long-term care
24 facilities and family members of consumers.
25 c. Long-term care facility administrators or
26 owners.
27 d. Direct care workers employed by long-term care
28 facilities.
29 e. Representatives from Iowa legal aid.
30 f. Representatives from AARP Iowa.
31 g. Representatives from the Iowa civil liberties
32 union.
33 h. Other stakeholders as the department of
34 inspections and appeals and the department of human
35 services deem appropriate.
36 3. The committee shall discuss whether a long-term
37 care facility, as defined in section 142D.2, should
38 have the ability to refuse admission to, or discharge,
39 residents who are sexually aggressive, combative, or
40 have unmet geropsychiatric needs. The committee shall
41 consider options for establishment of a facility to
42 provide care for persons who are sexually aggressive,
43 combative, or have unmet geropsychiatric needs. The
44 committee shall identify the characteristics of
45 residents for such a facility, options for creating
46 a new facility to house such residents, options for
47 the expansion of an existing facility to house such
48 residents, options for using any alternative facilities
49 for such residents, the workforce and training
50 necessary for the workforce in such facility, the use

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1 of protective restraints at such facility, options
2 to qualify a facility for Medicaid reimbursement,
3 cost projections for any recommendations, and other
4 information deemed relevant by the department of
5 inspections and appeals.
6 4. The committee shall provide a report detailing
7 its findings and recommendations to the governor and
8 the general assembly by December 15, 2014.>
9 2. By renumbering as necessary.

H. MILLER of Webster



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Senate File 2347

S-5126

- 1 Amend Senate File 2347 as follows:
2 1. Page 14, after line 8 by inserting:
3 <Notwithstanding section 8.33, moneys received
4 by the department pursuant to this subsection that
5 remain unencumbered or unobligated at the close of the
6 fiscal year shall not revert but shall remain available
7 for expenditure for the purposes specified in this
8 subsection for the following fiscal year.>
9 2. Page 14, line 24, by striking <lettered
10 paragraph> and inserting <lettered paragraph
11 subsection>
12 3. Page 14, line 27, by striking <lettered
13 paragraph> and inserting <lettered paragraph
14 subsection>
15 4. Page 22, line 34, by striking <\$250,000 nor more
16 than> and inserting <\$250,000 nor more than>
17 5. Page 24, after line 20 by inserting:
18 <Sec. _____. 2013 Iowa Acts, chapter 141, is amended
19 by adding the following new section:
20 NEW SECTION. SEC. 27A. PERSONNEL SETTLEMENT
21 AGREEMENT PAYMENTS. As a condition made to any
22 appropriation to the department for the blind, the
23 college student aid commission, the department of
24 education, or the state board of regents in this Act,
25 and as a condition to the fees established to finance
26 the activities of the board of educational examiners
27 pursuant to section 272.10, the moneys appropriated
28 and any other moneys available for use by an entity
29 specified in this Act shall not be used for payment of
30 a personnel settlement agreement between that entity
31 and a state employee that contains a confidentiality
32 provision intended to prevent public disclosure of the
33 agreement or any terms of the agreement.>
34 6. Page 25, line 30, after <proficient> by
35 inserting <, to school districts that have large
36 numbers of students determined to be limited English
37 proficient, or to school districts that have an
38 exceptional diversity of languages of origin spoken by
39 students determined to be limited English proficient>
40 7. By renumbering as necessary.

BRIAN SCHOENJAHN

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Senate File 2347

S-5127

- 1 Amend Senate File 2347 as follows:
2 1. Page 26, after line 34 by inserting:
3 <Sec. _____. Section 261.87, subsection 3, paragraph
4 b, Code 2014, is amended to read as follows:
5 b. A qualified student at a four-year eligible
6 institution may receive scholarships for not more
7 than the equivalent of ~~two~~ four full-time semesters
8 of undergraduate study, or the trimester or quarter
9 equivalent.>
10 2. By renumbering as necessary.

MARK CHELGREN

NANCY J. BOETTGER



Iowa General Assembly
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Senate File 2347

S-5128

- 1 Amend Senate File 2347 as follows:
2 1. Page 4, by striking line 30 and inserting
3 <6,304,047>
4 2. Page 4, by striking lines 32 through 35.
5 3. Page 11, after line 31 by inserting:
6 <16A. MANDATORY REPORTER TRAINING
7 For a mandatory reporter training program that uses
8 a curriculum that has been approved by the director of
9 public health, pursuant to section 135.11, for school
10 administrators and educators required to meet the
11 training requirements of section 232.69:
12 \$ 1,000,000
13 Notwithstanding section 8.33, moneys appropriated in
14 this subsection that remain unencumbered or unobligated
15 at the close of the fiscal year shall not revert
16 but shall be available for expenditure for purposes
17 designated in this subsection for subsequent fiscal
18 years.>
19 4. By renumbering as necessary.

JAKE CHAPMAN

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Senate File 2347

S-5129

1 Amend Senate File 2347 as follows:

2 1. Page 18, after line 15 by inserting:

3 <It is the intent of the general assembly that as a
4 condition of receiving the increased funding provided
5 in this lettered paragraph, the state board shall not
6 authorize any increase in tuition for fiscal year
7 2014-2015.>

8 2. Page 21, after line 5 by inserting:

9 <It is the intent of the general assembly that as a
10 condition of receiving the increased funding provided
11 in this lettered paragraph, the state board shall not
12 authorize any increase in tuition for fiscal year
13 2014-2015.>

14 3. Page 22, after line 6 by inserting:

15 <It is the intent of the general assembly that as a
16 condition of receiving the increased funding provided
17 in this lettered paragraph, the state board shall not
18 authorize any increase in tuition for fiscal year
19 2014-2015.>

MARK CHELGREN

BRIAN SCHOENJAHN

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Senate File 2347

S-5130

1 Amend the amendment, S-5126, to Senate File 2347 as
2 follows:
3 1. Page 1, after line 39 by inserting:
4 <____. Page 36, after line 24 by inserting:
5 <DIVISION ____
6 PUBLIC EMPLOYEE SETTLEMENT AGREEMENTS AND DISCIPLINARY
7 ACTIONS
8 Sec. _____. Section 22.7, subsection 11, paragraph
9 a, subparagraph (5), Code 2014, is amended to read as
10 follows:
11 (5) The fact that the individual resigned in lieu
12 of termination, was discharged, or was demoted as
13 the result of a final disciplinary action upon the
14 exhaustion of all applicable contractual, legal, and
15 statutory remedies, and the documented reasons and
16 rationale for the resignation in lieu of termination,
17 the discharge, or the demotion.
18 Sec. _____. NEW SECTION. 22.13A Personnel settlement
19 agreements — state employees — confidentiality —
20 disclosure.
21 1. For purposes of this section:
22 a. "Personnel settlement agreement" means a binding
23 legal agreement between a state employee and the state
24 employee's employer, subject to section 22.13, to
25 resolve a personnel dispute including but not limited
26 to a grievance. "Personnel settlement agreement" does
27 not include an initial decision by a state employee's
28 immediate supervisor concerning a personnel dispute or
29 grievance.
30 b. "State employee" means an employee of the state
31 who is an employee of the executive branch as described
32 in sections 7E.2 and 7E.5.
33 2. Personnel settlement agreements shall not
34 contain any confidentiality or nondisclosure
35 provision that attempts to prevent the disclosure of
36 the personnel settlement agreement. In addition,
37 any confidentiality or nondisclosure provision
38 in a personnel settlement agreement is void and
39 unenforceable.
40 3. The requirements of this section shall not be
41 superseded by any provision of a collective bargaining
42 agreement.
43 4. All personnel settlement agreements shall be
44 made easily accessible to the public on an internet
45 site maintained as follows:
46 a. For personnel settlement agreements with an
47 employee of the executive branch, excluding an employee
48 of the state board of regents or institution under
49 the control of the state board of regents, by the
50 department of administrative services.

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1 *b.* For personnel settlement agreements with an
2 employee of the state board of regents or institution
3 under the control of the state board of regents, by the
4 state board of regents.
5 Sec. _____. IMPLEMENTATION PROVISION. This division
6 of this Act shall not be construed to limit or impair
7 the ability of law enforcement personnel to investigate
8 any activity that may violate the laws of the state.
9 Sec. _____. EFFECTIVE UPON ENACTMENT. This division
10 of this Act, being deemed of immediate importance,
11 takes effect upon enactment.
12 Sec. _____. RETROACTIVE APPLICABILITY. The following
13 provision of this division of this Act applies
14 retroactively to January 1, 2004:
15 1. The section of this division of this Act
16 amending section 22.7, subsection 11.>
17 _____. Title page, by striking lines 1 through 5
18 and inserting <An Act relating to state finances
19 and public employment by appropriating moneys to the
20 college student aid commission, the department for the
21 blind, the department of education, and the state board
22 of regents, and providing for related matters, and
23 including effective date and retroactive applicability
24 provisions.>>

JULIAN B. GARRETT



Iowa General Assembly
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House File 2444

S-5131

1 Amend House File 2444, as passed by the House, as
2 follows:
3 1. Page 1, after line 30 by inserting:
4 <Sec. _____. Section 452A.3, subsection 1, unnumbered
5 paragraph 1, Code 2014, is amended to read as follows:
6 Except as otherwise provided in this section and
7 in this division, until June 30, ~~2014~~ 2015, this
8 subsection shall apply to the excise tax imposed on
9 each gallon of motor fuel used for any purpose for the
10 privilege of operating motor vehicles in this state.
11 Sec. _____. Section 452A.3, subsection 1A, Code 2014,
12 is amended to read as follows:
13 1A. Except as otherwise provided in this section
14 and in this division, after June 30, ~~2014~~ 2015, an
15 excise tax of twenty cents is imposed on each gallon of
16 motor fuel used for any purpose for the privilege of
17 operating motor vehicles in this state.>
18 2. Page 2, after line 25 by inserting:
19 <Sec. _____. EFFECTIVE UPON ENACTMENT. The following
20 provision or provisions of this division of this Act,
21 being deemed of immediate importance, take effect
22 upon enactment: 1. The sections of this Act amending
23 section 452A.3.>
24 3. Title page, line 5, before <retroactive> by
25 inserting <effective date and>
26 4. By renumbering as necessary.

ROBERT M. HOGG

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House File 2444

S-5132

1 Amend House File 2444, as passed by the House, as
2 follows:
3 1. Page 1, after line 30 by inserting:
4 <Sec. _____. Section 452A.3, subsection 1, unnumbered
5 paragraph 1, Code 2014, is amended to read as follows:
6 Except as otherwise provided in this section and in
7 this division, until ~~June 30~~ December 31, 2014, this
8 subsection shall apply to the excise tax imposed on
9 each gallon of motor fuel used for any purpose for the
10 privilege of operating motor vehicles in this state.
11 Sec. _____. Section 452A.3, subsection 1A, Code 2014,
12 is amended by striking the subsection and inserting in
13 lieu thereof the following:
14 1A. a. Except as otherwise provided in this
15 section and in this division, beginning January 1,
16 2015, this subsection shall apply to the excise taxes
17 imposed on each gallon of motor fuel used for any
18 purpose for the privilege of operating motor vehicles
19 in this state.
20 b. An excise tax is imposed on each gallon of
21 ethanol blended gasoline in an amount equal to the sum
22 of sixteen cents per gallon plus five percent of the
23 statewide average retail price of a gallon of ethanol
24 blended gasoline. The portion of the excise tax that
25 is based on the statewide average retail price shall
26 be computed by the department and adjusted annually on
27 January 1 by calculating five percent of the statewide
28 average retail price of a gallon of ethanol blended
29 gasoline, exclusive of federal excise taxes and the
30 sixteen-cent per gallon portion of the state excise
31 tax, for the twelve-month period beginning October
32 1 and ending September 30 immediately preceding the
33 calendar year in which the adjusted tax rate will take
34 effect.
35 c. An excise tax is imposed on each gallon of
36 nonethanol blended gasoline in an amount equal to the
37 sum of sixteen cents per gallon plus five percent of
38 the statewide average retail price of a gallon of
39 nonethanol blended gasoline. The portion of the excise
40 tax that is based on the statewide average retail
41 price shall be computed by the department and adjusted
42 annually on January 1 by calculating five percent of
43 the statewide average retail price of a gallon of
44 nonethanol blended gasoline, exclusive of federal
45 excise taxes and the sixteen-cent per gallon portion
46 of the state excise tax, for the twelve-month period
47 beginning October 1 and ending September 30 immediately
48 preceding the calendar year in which the adjusted tax
49 rate will take effect.
50 d. The department shall adopt rules prescribing

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1 the process for computing the portion of the excise
2 tax under paragraph "b" that is based on the statewide
3 average retail price of a gallon of ethanol blended
4 gasoline and the portion of the excise tax under
5 paragraph "c" that is based on the statewide average
6 retail price of a gallon of nonethanol blended
7 gasoline.

8 Sec. _____. Section 452A.3, subsections 1B and 1C,
9 Code 2014, are amended by striking the subsections.

10 Sec. _____. Section 452A.3, subsection 3, Code 2014,
11 is amended to read as follows:

12 3. a. For the privilege of operating motor
13 vehicles or aircraft in this state, there is imposed
14 an excise tax on the use of special fuel in a motor
15 vehicle or aircraft.

16 (1) (a) The tax Beginning January 1, 2015, the
17 rate of the excise tax on special fuel for diesel
18 engines of motor vehicles is twenty-two and one-half an
19 amount equal to the sum of eighteen cents per gallon
20 plus five percent of the statewide average retail price
21 of a gallon of special fuel for diesel engines of motor
22 vehicles. The portion of the excise tax that is based
23 on the statewide average retail price shall be computed
24 by the department and adjusted annually on January 1
25 by calculating five percent of the statewide average
26 retail price of a gallon of special fuel for diesel
27 engines of motor vehicles, exclusive of federal excise
28 taxes and the eighteen-cent per gallon portion of the
29 state excise tax, for the twelve-month period beginning
30 October 1 and ending September 30 immediately preceding
31 the calendar year in which the adjusted tax rate will
32 take effect.

33 (b) The department shall adopt rules prescribing
34 the process for computing the portion of the excise tax
35 that is based on the statewide average retail price of
36 a gallon of special fuel for diesel engines of motor
37 vehicles.

38 (2) The rate of tax on special fuel for aircraft is
39 three cents per gallon.

40 (3) On all other special fuel, unless otherwise
41 specified in this section, the per gallon rate is
42 the same as the motor-fuel tax on nonethanol blended
43 gasoline.

44 b. Indelible dye meeting United States
45 environmental protection agency and internal revenue
46 service regulations must be added to fuel before or
47 upon withdrawal at a terminal or refinery rack for that
48 fuel to be exempt from tax and the dyed fuel may be
49 used only for an exempt purpose.

50 Sec. _____. Section 452A.3, Code 2014, is amended by

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1 adding the following new subsection:
2 NEW SUBSECTION. 6A. By December 15 of each year,
3 the director shall cause an advisory notice to be
4 published in the Iowa administrative bulletin and
5 in a newspaper of general circulation in this state,
6 stating the rate of excise taxes established pursuant
7 to subsection 1A and subsection 3, paragraph "a",
8 subparagraph (1), that will take effect the following
9 January 1.
10 Sec. _____. Section 452A.3, subsection 4, as amended
11 by 2014 Iowa Acts, Senate File 2338, section 3, is
12 amended to read as follows:
13 4. For compressed natural gas used as a special
14 fuel, the rate of the excise tax is ~~twenty-one cents~~
15 ~~per gallon~~ the rate imposed for nonethanol blended
16 gasoline under subsection 1A, paragraph "c".
17 Sec. _____. Section 452A.3, subsection 4A, as enacted
18 by 2014 Iowa Acts, Senate File 2338, section 4, is
19 amended to read as follows:
20 4A. For liquefied natural gas used as a special
21 fuel, the rate of the excise tax is ~~twenty-two and~~
22 ~~one-half cents per gallon~~ the rate imposed for special
23 fuel for diesel engines of motor vehicles under
24 subsection 3, paragraph "a", subparagraph (1).>
25 2. Page 2, after line 25 by inserting:
26 <Sec. _____. 2005 Iowa Acts, chapter 178, section 41,
27 subsection 3, is amended to read as follows:
28 3. REPEAL. This section is repealed effective July
29 1, ~~2015~~ 2025.
30 Sec. _____. APPLICABILITY — INVENTORY
31 TAX. Notwithstanding section 452A.85, persons who have
32 title to motor fuel, ethanol blended gasoline, undyed
33 special fuel, compressed natural gas, liquefied natural
34 gas, or liquefied petroleum gas in storage and held for
35 sale on the effective date of an increase in the rate
36 of excise tax imposed on motor fuel, ethanol blended
37 gasoline, undyed special fuel, compressed natural
38 gas, liquefied natural gas, or liquefied petroleum
39 gas pursuant to this Act shall not be subject to an
40 inventory tax on the gallonage in storage as provided
41 in section 452A.85 as a result of any tax increase due
42 to implementation of this division of this Act.
43 Sec. _____. EFFECTIVE DATES.
44 1. Except as provided in subsection 2, this
45 division of this Act takes effect January 1, 2015.
46 2. The section of this division of this Act
47 amending section 452A.64 takes effect July 1, 2014.>
48 3. Title page, line 5, before <retroactive> by
49 inserting <effective date and>
50 4. By renumbering as necessary.

HF2444.3846 (2) 85

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TIM L. KAPUCIAN



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Senate File 2347

S-5133

- 1 Amend the amendment, S-5129, to Senate File 2347 as
2 follows:
3 1. Page 1, line 6, by striking <tuition> and
4 inserting <the resident undergraduate tuition rate>
5 2. Page 1, line 12, by striking <tuition> and
6 inserting <the resident undergraduate tuition rate>
7 3. Page 1, line 18, by striking <tuition> and
8 inserting <the resident undergraduate tuition rate>

MARK CHELGREN



Iowa General Assembly
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Senate File 2349

S-5134

1 Amend Senate File 2349 as follows:

2 1. Page 2, after line 25 by inserting:

3 <g. For restoration and improvements, including
4 restoration of the chapel, at the museum at Fort Des
5 Moines:

6 FY 2014-2015:

7 \$ 100,000>

8 2. Page 6, line 32, by striking <10,100,000> and
9 inserting <10,280,000>

10 3. Page 7, after line 16 by inserting:

11 <(5) Of the amount appropriated in this lettered
12 paragraph, \$180,000 shall be allocated to a county with
13 a population between 36,000 and 37,000 as determined by
14 the 2010 federal decennial census for improvements to
15 recreational trails.>

16 4. Page 19, after line 33 by inserting:

17 <DIVISION
18 MISCELLANEOUS

19 Sec. ____ LEASED OFFICE SPACE — REQUEST FOR
20 PROPOSALS. For the period beginning July 1, 2014,
21 and ending June 30, 2019, notwithstanding section
22 8A.321, subsection 6, paragraph "c", the department
23 of administrative services shall not issue a request
24 for proposals for leasing privately owned office space
25 for state employees in the downtown area of the city
26 of Des Moines. The department shall instead lease
27 office space from a bidder who agrees to enter into a
28 lease agreement with the department of administrative
29 services under substantially the same terms and
30 conditions as provided in the applicable proposal that
31 was awarded to the bidder pursuant to a request for
32 proposals conducted as required by section 8A.321,
33 subsection 6, paragraph "c", subparagraph (1), Code
34 2014, on or after January 1, 2012, to lease office
35 space for state employees in the downtown area of the
36 city of Des Moines.>

37 5. By renumbering as necessary.

MATT McCOY

SF2349.3819 (2) 85

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Senate Study Bill 3216 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act relating to the administrative appeals process for
2 certain tax matters and a related study and report, and
3 including effective date and applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

TLSB 6204XC (1) 85
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1 DIVISION I
2 STATE BOARD OF TAX REVIEW
3 Section 1. Section 421.1, subsection 5, paragraph a, Code
4 2014, is amended to read as follows:
5 a. Upon its own motion or upon appeal by any affected
6 taxpayer, the state board shall review the record evidence
7 and the decisions of, and any orders or directive issued by,
8 the director of revenue under Title X, subtitle 2, for the
9 identification of taxable property, classification of property
10 as real or personal, or for assessment and ~~collection~~ valuation
11 of ~~taxes~~ property by the department under Title X, subtitle
12 2, or an order to reassess or to raise assessments to any
13 local assessor under Title X, subtitle 2, and shall affirm,
14 modify, reverse, or remand them within sixty days from the
15 date the case is submitted to the board for decision. For an
16 appeal to the board to be valid, written notice must be given
17 to the department within thirty days of the rendering of the
18 decision, order, or directive from which the appeal is taken.
19 The director shall certify to the board the record, documents,
20 reports, audits, and all other information pertinent to the
21 decision, order, or directive from which the appeal is taken.
22 Sec. 2. EFFECTIVE UPON ENACTMENT. This division of this
23 Act, being deemed of immediate importance, takes effect upon
24 enactment.
25 Sec. 3. APPLICABILITY. This division of this Act applies
26 to appeals made to the state board of tax review on or after
27 the effective date of this division of this Act, and appeals
28 pending before the state board of tax review on the effective
29 date of this division of this Act shall be governed by section
30 421.1, Code 2014.

31 DIVISION II
32 ADMINISTRATIVE APPEALS
33 Sec. 4. Section 421.23, Code 2014, is amended to read as
34 follows:
35 **421.23 Fees and mileage.**



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1 The fees and mileage of witnesses attending any hearing of
2 the department, including contested case hearings but excluding
3 small case hearings, pursuant to any subpoena, shall be the
4 same as those of witnesses in civil cases in district court.

5 Sec. 5. Section 421.60, subsection 2, paragraph g, Code
6 2014, is amended to read as follows:

7 g. A taxpayer may request in writing that a contested case
8 proceeding or small case proceeding, whichever is applicable,
9 be commenced by the department after a period of six months
10 from the filing of a proper appeal by the taxpayer. The
11 department shall file an answer within thirty days of receipt
12 of the request and a contested case proceeding or small case
13 proceeding, whichever is applicable, shall be commenced. In
14 the case of an appeal of an assessment, failure to answer
15 within the thirty-day time period and after a request has been
16 made shall result in the suspension of interest from the time
17 that the department was required to answer until the date that
18 the department files its answer. In the case of an appeal of
19 a denial of a refund, failure to answer within the thirty-day
20 time period, and after a request has been made, shall result in
21 the accrual of interest payable to the taxpayer at double the
22 rate in effect under section 421.7 from the time the department
23 was required to answer until the date that the department files
24 its answer.

25 Sec. 6. Section 421.60, subsection 4, paragraph a,
26 unnumbered paragraph 1, Code 2014, is amended to read as
27 follows:

28 A prevailing taxpayer in an administrative hearing other
29 than a small case proceeding, or a court proceeding related to
30 the determination, collection, or refund of a tax, penalty,
31 or interest may be awarded reasonable litigation costs by the
32 department, state board of tax review, or a court, incurred
33 subsequent to the issuance of the notice of assessment or
34 denial of claim for refund in the proceeding, based upon the
35 following:

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1 Sec. 7. Section 421.60, subsection 6, unnumbered paragraph
2 1, Code 2014, is amended to read as follows:

3 The burden of proof with respect to assessments or denial
4 of refunds in contested case proceedings and small case
5 proceedings shall be allocated as follows:

6 Sec. 8. Section 421.60, Code 2014, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 11. *Small case proceedings.*

9 a. The department shall establish small case proceedings
10 to be used in lieu of the contested case proceedings provided
11 pursuant to this Title X and chapter 17A.

12 b. The department shall adopt rules relating to small case
13 proceedings, including but not limited to rules establishing
14 the types of actions of the director or department that shall
15 be considered eligible for appeal to the director under the
16 small case proceedings, the amount of tax at issue that shall
17 be considered a small case, and rules relating to the transfer
18 to small case proceedings of eligible cases pending before the
19 director on the effective date of this division of this Act.

20 Actions of the director or department under Title X, subtitle
21 2, shall not be eligible for the small case proceedings.

22 c. Use of the small case proceedings shall be at the
23 election of the taxpayer. The director may for good cause
24 refuse use of the small case proceedings by a taxpayer that
25 otherwise meets the requirements for use of the small case
26 proceedings.

27 d. Notwithstanding the provisions of this Title X, chapter
28 17A, or any other provision of law to the contrary, all of the
29 following apply to small case proceedings:

30 (1) Small case proceedings shall be informal. To the
31 extent consistent with the requirements of due process, the
32 department may by rule dispense with or otherwise modify
33 provisions relating to formal contested case proceedings,
34 including but not limited to the recording and transcribing of
35 proceedings, the creation of a detailed case record, ex parte

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1 communications, and the rules of civil procedure.

2 (2) The presiding officer of a hearing under small case
3 proceedings shall be an administrative law judge assigned by
4 the division of inspections and appeals in accordance with the
5 provisions of section 10A.801.

6 (3) The decision of an administrative law judge shall
7 be considered the final action of the department under
8 chapter 17A, and shall not be reviewed by the director.

9 Notwithstanding section 17A.19 or any other provision of law to
10 the contrary, the decision of an administrative law judge in a
11 small case proceeding is not subject to judicial review.

12 (4) The decision of an administrative law judge in a small
13 case proceeding shall not be considered as precedent in any
14 other case, hearing, or proceeding.

15 (5) The administrative law judge shall notify the taxpayer
16 and the director by mail of the decision.

17 e. The provisions of section 422.70 shall also be applicable
18 to an administrative law judge acting under the authority of
19 this subsection.

20 Sec. 9. Section 424.1, subsection 4, Code 2014, is amended
21 to read as follows:

22 4. The board shall retain rulemaking authority, but may
23 contract with the department for assistance in drafting
24 rules. The board shall retain contested case jurisdiction
25 over any challenge to the diminution rate or cost factor. The
26 department shall conduct all other contested cases or small
27 case proceedings, whichever is applicable, and be responsible
28 for other agency action in connection with the environmental
29 protection charge imposed under this chapter.

30 Sec. 10. APPLICABILITY. This division of this Act applies
31 to appeals pending before the director of revenue on January
32 1, 2015, and to appeals made to the director of revenue on or
33 after January 1, 2015.

34 DIVISION III
35 STUDY REPORT

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1 Sec. 11. ADMINISTRATIVE APPEALS PROCESS FOR TAX MATTERS —
2 REPORT. The department of revenue, in consultation with the
3 department of management and other interested stakeholders,
4 shall continue to study the independence, effectiveness,
5 and fairness of the state's current administrative appeals
6 processes for tax matters and shall make recommendations
7 for changes, if necessary, and shall additionally study the
8 desirability, practicality, and feasibility of replacing
9 components of these processes with new administrative appeals
10 processes for tax matters within the executive branch to
11 resolve disputes between the department of revenue and
12 taxpayers. The department of revenue shall prepare and
13 file a report, if necessary, detailing its findings and
14 recommendations with the chairpersons and ranking members of
15 the ways and means committees of the senate and the house of
16 representatives and with the legislative services agency by
17 January 8, 2015.

EXPLANATION

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 This bill relates to the department of revenue's
22 administrative appeals process for tax and other matters.
23 DIVISION I — STATE BOARD OF TAX REVIEW. Division I relates
24 to the state board of tax review. The state board of tax review
25 (board) is an independent, bipartisan board consisting of
26 three members appointed by the governor and confirmed by the
27 senate. One of the powers and duties of the board is to review
28 final decisions of the director, including but not limited to
29 final decisions issued by the director in a contested case.
30 The board also has the original jurisdiction to review the
31 director's assessments and valuations of centrally assessed
32 property for purposes of property taxation, which means the
33 taxpayer appeals the assessment or valuation of the director
34 directly to the board. Both the taxpayer and the director have
35 the right to appeal a decision of the board to district court.

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1 The division amends the types of decisions of the director
2 that may be reviewed by the board to specify that only
3 decisions made under Code Title X, subtitle 2 (property taxes),
4 may be appealed to the board. As a result, decisions of the
5 director with regard to income taxes, franchise taxes, sales
6 and use taxes, and various excise and other taxes will no
7 longer be appealable to the board and must instead be appealed
8 directly to district court.

9 The division takes effect upon enactment and applies to
10 appeals made to the board on or after the effective date of the
11 division, and appeals pending before the board on the effective
12 date of the division shall be governed by current Code section
13 421.1.

14 DIVISION II — ADMINISTRATIVE APPEALS. Division II relates
15 to the administrative appeals process of the department of
16 revenue by authorizing small case proceedings.

17 Under current law, when a taxpayer appeals a decision of the
18 director and no settlement can be reached between the parties,
19 the director grants a contested case hearing pursuant to the
20 provisions of Code chapter 17A (Iowa administrative procedure
21 Act). Following a contested case decision, the director issues
22 a final decision. The director is authorized to transfer
23 contested cases to an administrative law judge who presides
24 over the hearing and issues a proposed decision. When this
25 occurs, the director may adopt the proposed decision as the
26 final decision of the department, or may reverse or modify
27 the proposed decision according to the standards provided in
28 the Iowa administrative procedure Act. Following the final
29 decision of the director, a taxpayer may appeal the decision
30 to the state board of tax review or may seek judicial review of
31 the decision.

32 The division requires the department of revenue to adopt
33 small case proceedings that may be used at the election of the
34 taxpayer, and shall be in lieu of a contested case hearing.
35 The department is required to adopt rules relating to small

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1 case proceedings, including but not limited to the types
2 of actions of the director and amounts of tax that will be
3 considered eligible for small case proceedings. The department
4 is also required to adopt rules relating to the transfer to
5 the small case proceedings of eligible cases pending before
6 the director on the effective date of the division. Actions
7 of the director or department relating to property taxes are
8 not eligible for the small case proceedings. The department
9 may refuse use of the small case proceedings to a taxpayer
10 for good cause. The division requires small case proceedings
11 to be informal and allows the department to dispense with
12 or otherwise modify provisions relating to formal contested
13 case proceedings such as the recording and transcribing
14 of proceedings, the creation of a detailed case record, ex
15 parte communications, and the rules of civil procedure. The
16 presiding officer of a hearing under small case proceedings
17 shall be an administrative law judge assigned by the department
18 of inspections and appeals. The decision of the administrative
19 law judge in a small case proceeding shall be considered the
20 final action of the department of revenue and shall not be
21 reviewed by the director or appealed to district court by the
22 taxpayer or the director. Furthermore, the decision of the
23 administrative law judge in a small case proceeding shall not
24 be considered as precedent in any other case, hearing, or
25 proceeding.

26 The division applies all the provisions of Code section
27 422.70, relating to the general hearing powers of the director,
28 to an administrative law judge acting under the authority of
29 the small case proceedings.

30 The division specifies that the provision of fees and
31 mileage of witnesses, and the awarding of litigation costs in
32 certain situations, shall not apply to small case proceedings.

33 APPLICABILITY. The division applies to appeals pending
34 before the director on January 1, 2015, and to appeals made to
35 the director on or after January 1, 2015.



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1 DIVISION III — STUDY REPORT. Division III establishes
2 a report to be prepared and filed, if necessary, by the
3 department of revenue. The department of revenue, in
4 consultation with the department of management and other
5 interested stakeholders, shall continue to study the current
6 administrative appeals processes for tax matters and make
7 recommendations for changes if necessary, and also study the
8 possibility of creating new administrative appeals processes.
9 The report, if necessary, detailing any recommended changes
10 or findings shall be filed with the chairperson and ranking
11 members of the ways and means committees of the senate and the
12 house of representatives and with the legislative services
13 agency by January 8, 2015. A similar study and report was
14 conducted last year and filed on January 8, 2014, by the
15 department of revenue.



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Senate Study Bill 3217 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act relating to state taxation and related budgetary
2 matters, including state sales and use taxes, the natural
3 resources and outdoor recreation trust fund, and the state
4 individual income tax, and including effective date and
5 applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 DIVISION I
2 SALES AND USE TAXES AND THE NATURAL RESOURCES AND OUTDOOR
3 RECREATION TRUST FUND
4 Section 1. Section 423.2, subsection 1, unnumbered
5 paragraph 1, Code 2014, is amended to read as follows:
6 There is imposed a tax ~~of six percent~~ at the rate specified
7 in subsection 13 upon the sales price of all sales of tangible
8 personal property, consisting of goods, wares, or merchandise,
9 sold at retail in the state to consumers or users except as
10 otherwise provided in this subchapter.
11 Sec. 2. Section 423.2, subsections 2 and 3, Code 2014, are
12 amended to read as follows:
13 2. A tax ~~of six percent~~ at the rate specified in subsection
14 13 is imposed upon the sales price of the sale or furnishing
15 of gas, electricity, water, heat, pay television service, and
16 communication service, including the sales price from such
17 sales by any municipal corporation or joint water utility
18 furnishing gas, electricity, water, heat, pay television
19 service, and communication service to the public in its
20 proprietary capacity, except as otherwise provided in this
21 subchapter, when sold at retail in the state to consumers or
22 users.
23 3. A tax ~~of six percent~~ at the rate specified in subsection
24 13 is imposed upon the sales price of all sales of tickets
25 or admissions to places of amusement, fairs, and athletic
26 events except those of elementary and secondary educational
27 institutions. A tax ~~of six percent~~ at the rate specified in
28 subsection 13 is imposed on the sales price of an entry fee or
29 like charge imposed solely for the privilege of participating
30 in an activity at a place of amusement, fair, or athletic event
31 unless the sales price of tickets or admissions charges for
32 observing the same activity are taxable under this subchapter.
33 A tax ~~of six percent~~ at the rate specified in subsection 13
34 is imposed upon that part of private club membership fees or
35 charges paid for the privilege of participating in any athletic



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1 sports provided club members.

2 Sec. 3. Section 423.2, subsection 4, paragraph a, Code 2014,
3 is amended to read as follows:

4 a. A tax of ~~six percent~~ at the rate specified in subsection
5 13 is imposed upon the sales price derived from the operation
6 of all forms of amusement devices and games of skill, games of
7 chance, raffles, and bingo games as defined in chapter 99B, and
8 card game tournaments conducted under section 99B.7B, that are
9 operated or conducted within the state, the tax to be collected
10 from the operator in the same manner as for the collection of
11 taxes upon the sales price of tickets or admission as provided
12 in this section. Nothing in this subsection shall legalize any
13 games of skill or chance or slot-operated devices which are now
14 prohibited by law.

15 Sec. 4. Section 423.2, subsection 5, Code 2014, is amended
16 to read as follows:

17 5. There is imposed a tax of ~~six percent~~ at the rate
18 specified in subsection 13 upon the sales price from the
19 furnishing of services as defined in section 423.1.

20 Sec. 5. Section 423.2, subsection 7, paragraph a,
21 unnumbered paragraph 1, Code 2014, is amended to read as
22 follows:

23 A tax of ~~six percent~~ at the rate specified in subsection 13
24 is imposed upon the sales price from the sales, furnishing, or
25 service of solid waste collection and disposal service.

26 Sec. 6. Section 423.2, subsection 8, paragraph a, Code 2014,
27 is amended to read as follows:

28 a. A tax of ~~six percent~~ at the rate specified in subsection
29 13 is imposed on the sales price from sales of bundled
30 transactions. For the purposes of this subsection, a "*bundled*
31 *transaction*" is the retail sale of two or more distinct and
32 identifiable products, except real property and services to
33 real property, which are sold for one nonitemized price. A
34 "*bundled transaction*" does not include the sale of any products
35 in which the sales price varies, or is negotiable, based on



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1 the selection by the purchaser of the products included in the
2 transaction.

3 Sec. 7. Section 423.2, subsection 9, Code 2014, is amended
4 to read as follows:

5 9. A tax of ~~six percent~~ at the rate specified in
6 subsection 13 is imposed upon the sales price from any mobile
7 telecommunications service, including all paging services,
8 that this state is allowed to tax pursuant to the provisions
9 of the federal Mobile Telecommunications Sourcing Act, Pub.
10 L. No. 106-252, 4 U.S.C. § 116 et seq. For purposes of this
11 subsection, taxes on mobile telecommunications service, as
12 defined under the federal Mobile Telecommunications Sourcing
13 Act that are deemed to be provided by the customer's home
14 service provider, shall be paid to the taxing jurisdiction
15 whose territorial limits encompass the customer's place of
16 primary use, regardless of where the mobile telecommunications
17 service originates, terminates, or passes through and
18 shall in all other respects be taxed in conformity with
19 the federal Mobile Telecommunications Sourcing Act. All
20 other provisions of the federal Mobile Telecommunications
21 Sourcing Act are adopted by the state of Iowa and incorporated
22 into this subsection by reference. With respect to mobile
23 telecommunications service under the federal Mobile
24 Telecommunications Sourcing Act, the director shall, if
25 requested, enter into agreements consistent with the provisions
26 of the federal Act.

27 Sec. 8. Section 423.2, subsection 11, paragraph b,
28 subparagraph (2), Code 2014, is amended to read as follows:

29 (2) Transfer from the remaining revenues the amounts
30 required under Article VII, section 10, of the Constitution
31 of the State of Iowa to the natural resources and outdoor
32 recreation trust fund created in section 461.31, ~~if applicable~~.

33 Sec. 9. Section 423.2, subsection 13, Code 2014, is amended
34 by striking the subsection and inserting in lieu thereof the
35 following:

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1 13. *a.* For the period beginning January 1, 2016, and ending
2 December 31, 2016, the sales tax rate is six and one-eighth
3 percent.

4 *b.* For the period beginning January 1, 2017, and ending
5 December 31, 2017, the sales tax rate is six and two-eighths
6 percent.

7 *c.* For the period beginning January 1, 2018, and ending
8 December 31, 2029, the sales tax rate is six and three-eighths
9 percent.

10 *d.* Beginning January 1, 2030, the sales tax rate is five and
11 three-eighths percent.

12 Sec. 10. Section 423.5, subsection 1, unnumbered paragraph
13 1, Code 2014, is amended to read as follows:

14 Except as provided in paragraph "c", an excise tax at the
15 rate of ~~six percent~~ specified in subsection 5 of the purchase
16 price or installed purchase price is imposed on the following:

17 Sec. 11. Section 423.5, subsection 5, Code 2014, is amended
18 by striking the subsection and inserting in lieu thereof the
19 following:

20 5. *a.* For the period beginning January 1, 2016, and ending
21 December 31, 2016, the use tax rate is six and one-eighth
22 percent.

23 *b.* For the period beginning January 1, 2017, and ending
24 December 31, 2017, the use tax rate is six and two-eighths
25 percent.

26 *c.* For the period beginning January 1, 2018, and ending
27 December 31, 2029, the use tax rate is six and three-eighths
28 percent.

29 *d.* Beginning January 1, 2030, the use tax rate is five and
30 three-eighths percent.

31 Sec. 12. Section 423.43, subsection 1, paragraph b, Code
32 2014, is amended to read as follows:

33 *b.* Subsequent to the deposit into the general fund of the
34 state ~~and after the transfer of such~~ pursuant to paragraph "a",
35 the department shall do the following in the order prescribed:

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~~1 (1) Transfer the revenues collected under chapter 423B, the~~
~~2 department shall transfer one-sixth.~~

3 (2) (a) Transfer the applicable percentage as specified
4 in subparagraph division (b) of such remaining revenues to the
5 secure an advanced vision for education fund created in section
6 423F.2.

7 (b) (i) For the period beginning January 1, 2016, and
8 ending December 31, 2016, the applicable percentage is sixteen
9 and three thousand two hundred sixty-five ten-thousandths
10 percent.

11 (ii) For the period beginning January 1, 2017, and ending
12 December 31, 2017, the applicable percentage is sixteen
13 percent.

14 (iii) For the period beginning January 1, 2018, and ending
15 December 31, 2029, the applicable percentage is fifteen and six
16 thousand eight hundred sixty-three ten-thousandths percent.

17 (c) This ~~paragraph~~ subparagraph (2) is repealed December
18 31, 2029.

19 Sec. 13. PURPOSE. The purpose of this division of this Act
20 is to provide for the implementation of Article VII, section
21 10, of the Constitution of the State of Iowa by fully funding
22 the natural resources and outdoor recreation trust fund as
23 created in section 461.31, pursuant to Article VII, section 10,
24 of the Constitution of the State of Iowa.

25 Sec. 14. EFFECTIVE DATE. This division of this Act takes
26 effect January 1, 2016.

DIVISION II

INDIVIDUAL INCOME TAX

29 Sec. 15. Section 422.5, subsection 3, Code 2014, is amended
30 to read as follows:

31 3. a. (1) The tax shall not be imposed on a resident or
32 nonresident whose net income, as defined in section 422.7,
33 is ~~thirteen thousand five hundred dollars or less~~ equal
34 to or less than the appropriate dollar amount specified in
35 subparagraph (2) in the case of married persons filing jointly

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1 or filing separately on a combined return, heads of household,
2 and surviving spouses or ~~nine thousand dollars or less equal~~
3 to or less than the appropriate dollar amount specified in
4 subparagraph (3) in the case of all other persons; but in the
5 event that the payment of tax under this division would reduce
6 the net income to less than ~~thirteen thousand five hundred~~
7 ~~dollars or nine thousand dollars~~ the appropriate dollar amount
8 specified in subparagraph (2) or (3), as applicable, then
9 the tax shall be reduced to that amount which would result
10 in allowing the taxpayer to retain a net income ~~of thirteen~~
11 ~~thousand five hundred dollars or nine thousand dollars equal~~
12 to the appropriate dollar amount specified in subparagraph (2)
13 or (3), as applicable. The preceding sentence does not apply
14 to estates or trusts. For the purpose of this subsection, the
15 entire net income, including any part of the net income not
16 allocated to Iowa, shall be taken into account. For purposes
17 of this subsection, net income includes all amounts of pensions
18 or other retirement income received from any source which is
19 not taxable under this division as a result of the government
20 pension exclusions in section 422.7, or any other state law.
21 If the combined net income of a husband and wife exceeds
22 ~~thirteen thousand five hundred dollars~~ the appropriate dollar
23 amount specified in subparagraph (2), neither of them shall
24 receive the benefit of this subsection, and it is immaterial
25 whether they file a joint return or separate returns. However,
26 if a husband and wife file separate returns and have a combined
27 net income ~~of thirteen thousand five hundred dollars equal~~
28 to or less than the appropriate dollar amount specified in
29 subparagraph (2), neither spouse shall receive the benefit of
30 this paragraph, if one spouse has a net operating loss and
31 elects to carry back or carry forward the loss as provided
32 in section 422.9, subsection 3. A person who is claimed as
33 a dependent by another person as defined in section 422.12
34 shall not receive the benefit of this subsection if the person
35 claiming the dependent has net income exceeding ~~thirteen~~



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1 ~~thousand five hundred dollars or nine thousand dollars the~~
2 appropriate dollar amount specified in subparagraph (2) or (3),
3 as applicable or the person claiming the dependent and the
4 person's spouse have combined net income exceeding thirteen
5 ~~thousand five hundred dollars or nine thousand dollars the~~
6 appropriate dollar amount specified in subparagraph (2) or (3),
7 as applicable.

8 (2) (a) For tax years beginning on or after January
9 1, 2016, but before January 1, 2017, the dollar amount is
10 twenty-four thousand seven hundred fifty dollars.

11 (b) For tax years beginning on or after January 1, 2017, but
12 before January 1, 2018, the dollar amount is thirty thousand
13 two hundred fifty dollars.

14 (c) For tax years beginning on or after January 1, 2018, the
15 dollar amount is thirty-five thousand two hundred dollars.

16 3. (a) For tax years beginning on or after January 1,
17 2016, but before January 1, 2017, the dollar amount is twenty
18 thousand two hundred fifty dollars.

19 (b) For tax years beginning on or after January 1, 2017,
20 but before January 1, 2018, the dollar amount is twenty-five
21 thousand seven hundred fifty dollars.

22 (c) For tax years beginning on or after January 1, 2018, the
23 dollar amount is thirty thousand seven hundred dollars.

24 b. In lieu of the computation in subsection 1 or 2, or in
25 paragraph "a" of this subsection, if the married persons',
26 filing jointly or filing separately on a combined return,
27 head of household's, or surviving spouse's net income exceeds
28 ~~thirteen thousand five hundred dollars the appropriate dollar~~
29 amount specified in paragraph "a", subparagraph (2), the
30 regular tax imposed under this division shall be the lesser of
31 the maximum state individual income tax rate times the portion
32 of the net income in excess of thirteen thousand five hundred
33 ~~dollars the appropriate dollar amount specified in paragraph~~
34 "a", subparagraph (2), or the regular tax liability computed
35 without regard to this sentence. Taxpayers electing to file

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1 separately shall compute the alternate tax described in this
2 paragraph using the total net income of the husband and wife.
3 The alternate tax described in this paragraph does not apply
4 if one spouse elects to carry back or carry forward the loss as
5 provided in section 422.9, subsection 3.

6 Sec. 16. EFFECTIVE DATE. This division of this Act takes
7 effect January 1, 2016.

8 Sec. 17. APPLICABILITY. This division of this Act applies
9 to tax years beginning on or after January 1, 2016.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

13 This bill relates to the state sales and use taxes, the
14 natural resources and outdoor recreation trust fund, and the
15 state individual income tax.

16 DIVISION I — SALES AND USE TAXES. Division I relates
17 to state sales and use taxes and to an amendment to the Iowa
18 Constitution ratified on November 2, 2010, which created a
19 natural resources and outdoor recreation trust fund (fund)
20 and dedicated a portion of state revenues to the fund for
21 the purposes of protecting and enhancing water quality and
22 natural areas in the state including parks, trails, and fish
23 and wildlife habitat, and conserving agricultural soils in
24 the state (Article VII, section 10). The fund is codified in
25 Code section 461.31. Pursuant to the amendment, the amount
26 credited to the fund will be equal to the amount generated
27 by an increase in the state sales tax rate occurring after
28 the effective date of the constitutional amendment, but shall
29 not exceed the amount that a state sales tax rate of 0.375
30 percent would generate. The state sales tax rate has not
31 been increased since the effective date of the constitutional
32 amendment, so no amounts have been credited to the fund. The
33 division increases the sales tax rate and the use tax rate
34 from 6 percent to 6.125 percent on January 1, 2016, from 6.125
35 percent to 6.25 percent on January 1, 2017, and from 6.25

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1 percent to 6.375 percent on January 1, 2018. The division
2 also amends the transfer of use tax revenues to the secure
3 an advanced vision for education fund (SAVE) in Code section
4 423F.2 to ensure that SAVE receives approximately the same
5 proportion of the total use tax revenue as it did prior to the
6 use tax rate increases provided in the division.

7 The division takes effect January 1, 2016.

8 DIVISION II — INDIVIDUAL INCOME TAXES. Division II
9 relates to the individual income tax. The division increases
10 the amount of net income at which the individual income tax
11 will not be imposed on a taxpayer who is under 65 years of
12 age. Under current law, the individual income tax is not
13 imposed if net income does not exceed \$13,500 in the case of
14 married persons filing a joint or separate return, a head of
15 household, or a surviving spouse, or \$9,000 in the case of
16 all other taxpayers. The division increases those amounts to
17 \$24,750 or \$20,250, respectively, for tax year 2016; \$30,250
18 or \$25,750, respectively, for tax year 2017; and \$35,200 or
19 \$30,700, respectively, for tax year 2018, and for each tax year
20 thereafter.

21 The division makes a conforming amendment to the calculation
22 of the alternate tax in Code section 422.5(3)(b) for married
23 persons filing a joint or separate return.

24 The division takes effect January 1, 2016, and applies to tax
25 years beginning on or after that date.



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Senate Study Bill 3218 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act relating to benefited recreational lake districts,
2 water quality districts, and combined recreational lake and
3 water quality districts and including effective date and
4 retroactive applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 357E.15 Exemption from taxation
2 — refunds.

3 1. The property and facilities of a district shall not be
4 taxable in any manner by the state or any of its political
5 subdivisions.

6 2. A district is a tax-certifying body for purposes of
7 section 423.4, subsection 1.

8 Sec. 2. Section 427.1, subsection 2, Code 2014, is amended
9 to read as follows:

10 2. *Municipal and military property.* The property of a
11 county, township, city, school corporation, levee district,
12 drainage district, district organized under chapter 357E, or
13 the Iowa national guard, when devoted to public use and not
14 held for pecuniary profit, except property of a municipally
15 owned electric utility held under joint ownership and property
16 of an electric power facility financed under chapter 28F or
17 476A that shall be subject to taxation under chapter 437A
18 and facilities of a municipal utility that are used for the
19 provision of local exchange services pursuant to chapter 476,
20 but only to the extent such facilities are used to provide such
21 services, which shall be subject to taxation under chapter 433,
22 except that section 433.11 shall not apply. The exemption for
23 property owned by a city or county also applies to property
24 which is operated by a city or county as a library, art
25 gallery or museum, conservatory, botanical garden or display,
26 observatory or science museum, or as a location for holding
27 athletic contests, sports or entertainment events, expositions,
28 meetings or conventions, or leased from the city or county for
29 any such purposes, or leased from the city or county by the
30 Iowa national guard or by a federal agency for the benefit of
31 the Iowa national guard when devoted for public use and not
32 for pecuniary profit. Food and beverages may be served at the
33 events or locations without affecting the exemptions, provided
34 the city has approved the serving of food and beverages on the
35 property if the property is owned by the city or the county

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1 has approved the serving of food and beverages on the property
2 if the property is owned by the county. The exemption for
3 property owned by a city or county also applies to property
4 which is located at an airport and leased to a fixed base
5 operator providing aeronautical services to the public.

6 Sec. 3. IMPLEMENTATION OF ACT. Section 25B.7 does not apply
7 to the property tax exemption established in this Act.

8 Sec. 4. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
9 immediate importance, takes effect upon enactment.

10 Sec. 5. RETROACTIVE APPLICABILITY. This Act applies
11 retroactively to January 1, 2014, for property tax assessment
12 years beginning on or after that date.

13 Sec. 6. RETROACTIVE APPLICABILITY. This Act applies
14 retroactively to January 1, 2014, for sales and use tax paid
15 on or after that date.

16 EXPLANATION

17 The inclusion of this explanation does not constitute agreement with
18 the explanation's substance by the members of the general assembly.

19 This bill relates to benefited recreational lake districts,
20 water quality districts, and combined recreational lake and
21 water quality districts organized under Code chapter 357E.

22 The bill provides that the property and facilities of
23 a district organized under Code chapter 357E shall not be
24 taxable in any manner by the state or any of its political
25 subdivisions.

26 The bill specifies that a district organized under Code
27 chapter 357E is a tax-certifying body for purposes of sales
28 or use tax construction contractor refunds under Code section
29 423.4(1), for construction contracts with tax-certifying
30 bodies. By operation of law, the designation of a district as
31 a tax-certifying body for purposes of Code section 423.4(1),
32 means that the district is a "designated exempt entity" within
33 the meaning of Code section 423.3(80), relating to an exemption
34 for construction contractors performing work for such an
35 entity.



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1 The bill also exempts from property taxation the property of
2 a district organized under Code chapter 357E, when devoted to
3 public use and not held for pecuniary profit.

4 Code section 25B.7 provides that for a property tax credit
5 or exemption enacted on or after January 1, 1997, if a state
6 appropriation made to fund the credit or exemption is not
7 sufficient to fully fund the credit or exemption, the political
8 subdivision shall be required to extend to the taxpayer only
9 that portion of the credit or exemption estimated by the
10 department of revenue to be funded by the state appropriation.
11 Code section 25B.7 does not apply to the property tax exemption
12 established in the bill.

13 The bill takes effect upon enactment.

14 The bill applies retroactively to January 1, 2014, for
15 property tax assessment years beginning on or after that date.

16 The bill applies retroactively to January 1, 2014, for sales
17 and use tax paid on or after that date.



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Senate Study Bill 3219 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON BOLKCOM)

A BILL FOR

1 An Act relating to the additional homestead credit for
2 certain disabled veterans and including effective date and
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 425.15, Code 2014, is amended to read as
2 follows:

3 **425.15 Disabled veteran tax credit.**

4 1. If the owner of a homestead allowed a credit under this
5 chapter is a any of the following, the credit allowed on the
6 homestead from the homestead credit fund shall be the entire
7 amount of the tax levied on the homestead:

8 a. A veteran of any of the military forces of the United
9 States, who acquired the homestead under 38 U.S.C. §21.801,
10 21.802, or 38 U.S.C. §2101, 2102.

11 b. A veteran as defined in section 35.1 with a
12 service-connected disability rating of one hundred percent, as
13 certified by the United States department of veterans affairs.

14 c. ~~the credit allowed on the homestead from the homestead~~
15 ~~credit fund shall be the entire amount of the tax levied on the~~
16 ~~homestead~~ A former member of the national guard of any state
17 who otherwise meets the service requirements of section 35.1,
18 subsection 2, paragraph "b", subparagraph (2) or (7), with a
19 service-connected disability rating of one hundred percent, as
20 certified by the United States department of veterans affairs.

21 2. The credit allowed shall be continued to the estate of
22 ~~a veteran an owner~~ who is deceased or the surviving spouse
23 and any child, as defined in section 234.1, who are the
24 beneficiaries of a deceased ~~veteran owner~~, so long as the
25 surviving spouse remains unmarried. ~~This section is not~~
26 ~~applicable to the holder of title to any homestead whose annual~~
27 ~~income, together with that of the titleholder's spouse, if~~
28 ~~any, for the last preceding twelve-month income tax accounting~~
29 ~~period exceeds thirty-five thousand dollars. For the purpose~~
30 ~~of this section "income" means taxable income for federal income~~
31 ~~tax purposes plus income from securities of state and other~~
32 ~~political subdivisions exempt from federal income tax.~~

33 3. ~~A veteran~~ An owner or a beneficiary of a ~~veteran an owner~~
34 who elects to secure the credit provided in this section is not
35 eligible for any other real property tax exemption provided by

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1 law for veterans of military service.

2 4. If a ~~veteran~~ an owner acquires a different homestead,
3 the credit allowed under this section may be claimed on the
4 new homestead unless the ~~veteran~~ owner fails to meet the other
5 requirements of this section.

6 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
7 importance, takes effect upon enactment.

8 Sec. 3. APPLICABILITY. This Act applies to applications for
9 the disabled veteran tax credit filed on or after the effective
10 date of this Act.

11	EXPLANATION
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12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 The disabled veteran tax credit under Code section 425.15
15 provides a property tax credit on the homestead of an eligible
16 veteran who acquired the homestead under specified federal
17 programs in an amount equal to the entire amount of the tax
18 levied on the homestead. This bill modifies the qualifications
19 for the disabled veteran tax credit by adding the following
20 owners as being owners eligible for the credit: (1) a veteran
21 as defined in Code section 35.1 with a service-connected
22 disability rating of 100 percent as certified by the United
23 States department of veterans affairs; and (2) a former member
24 of the national guard of any state who otherwise meets the
25 service requirements for Iowa national guard members under
26 Code section 35.1(2)(b), subparagraph (2) or (7), with a
27 service-connected disability rating of 100 percent as certified
28 by the United States department of veterans affairs. The bill
29 also strikes the maximum income limitation qualifications for
30 the credit.

31 The bill takes effect upon enactment and applies to
32 applications for the disabled veteran tax credit filed on or
33 after the effective date of the bill.